

# ASX ANNOUNCEMENT

27 November 2020

ASX:TAP

**Tap Oil Limited**  
ABN 89 068 572 341

Level 2, 190 St George's Terrace  
Perth WA 6000  
Australia

T: +61 8 9485 1000  
F: +61 8 9485 1060  
E: [info@tapoil.com.au](mailto:info@tapoil.com.au)

[www.tapoil.com.au](http://www.tapoil.com.au)

## Commodity Hedge Program

Tap Oil Limited (**Tap** or the **Company**) advises that it has entered into further commodity hedge contracts with BP Singapore Pte Limited (**BPS**) to cover the scheduled January 2021, February 2021, and March 2021 Manora crude oil liftings.

Details regarding the additional (Second Hedge Tranche) Quarter one 2021 crude oil hedges with BPS are as follows: -

- 25,000 bbls of swaps in January 2021 at a fixed Dubai crude oil price of US\$46.40/bbl
- 20,000 bbls of swaps in February 2021 at a fixed Dubai crude oil price of US\$46.40/bbl
- 20,000 bbls of swaps in March 2021 at a fixed Dubai crude oil price of US\$46.40/bbl

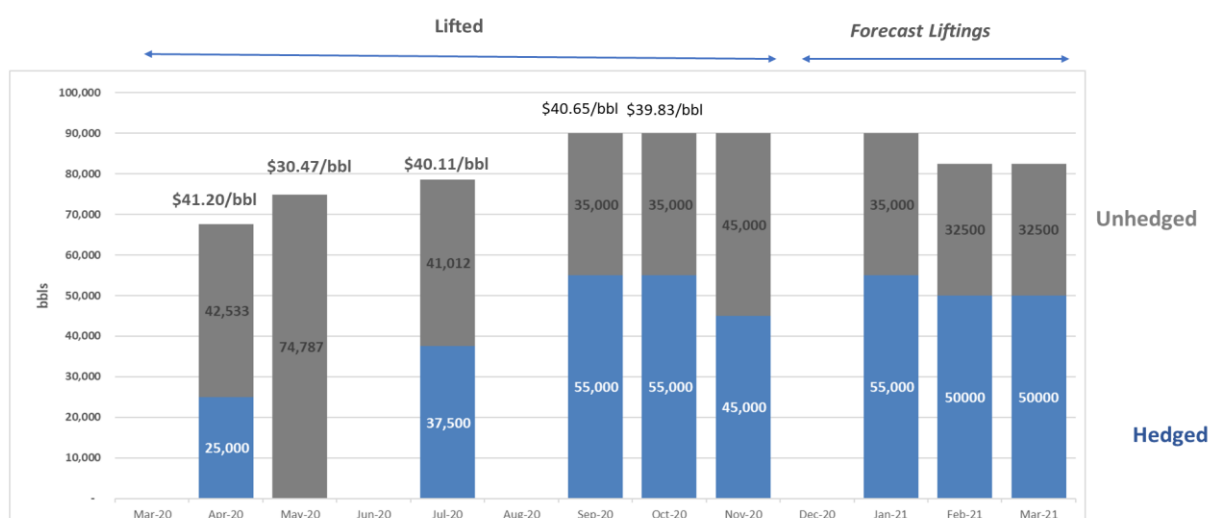
Total Q1 2021 Hedges now in place are tabulated below:

Tap Q1 2021 Net Hedge Volumes and Prices				
	January 2021	February 2021	March 2021	
Lifting Volume	90,000	82,500	82,500	barrels
First Hedge Tranche	30,000	30,000	30,000	barrels
Second Hedge Tranche	25,000	20,000	20,000	barrels
Total Hedged Volumes	55,000	50,000	50,000	barrels
% Hedged	61%	61%	61%	
Unhedged Volumes	35,000	32,500	32,500	barrels
First Tranche Dubai Swap Price	\$42.20	\$42.20	\$42.20	US\$ / bbl
Second Tranche Dubai Swap Price	\$46.40	\$46.40	\$46.40	US\$ / bbl
<b>Weighted Average Dubai Swap Price</b>	<b>\$44.11</b>	<b>\$43.88</b>	<b>\$43.88</b>	<b>US\$ / bbl</b>

Tap's Executive Chairman, Mr Chris Newton said "With oil market sentiment moving positively in the last week, the Tap Board has taken the opportunity to mitigate against downside oil price movement and further protect Q1 2021 cashflows. Q1 2021 is now 61% hedged at an average Dubai price of US\$43.96 per barrel. Manora crude oil has been sold at a premium to Dubai crude averaged over Q1 2021. 39% of contracted Q1 2021 Manora crude oil lifting will remain unhedged and provide Tap shareholders with exposure to any further upward price movements over the next 4 months."

Hedging has been implemented against Dubai crude, the reference against which Manora crude is priced. 2020 Year to date Dubai has traded at a US\$0.20 / bbl premium to Brent when Manora crude was lifted.

The November 2020 Manora crude oil lifting for 299,977 barrels, (89,993 barrels net to Tap) was lifted on 6 November 2020 and will be priced off November Dubai Platts with revenue to be received in early December 2020. The next lifting is scheduled between 4 - 6 January 2021. The diagram below updates actual and forecast lifting volumes, hedge positions and realised post hedge prices.



- March to October post hedge realised prices as noted in US\$ / bbl
- Volume and schedule post October 2020 subject to production and market

Authorised by the Board of Tap Oil Limited

[Investor enquiries](#)

Chris Newton  
**Executive Chairman**  
 Phone: +618 9485 1000

Derrick Wan  
**Commercial Manager**  
 Phone: +618 9485 1000